## AMENDMENT NUMBER ONE TO AIRPORT FACILITY LEASE AGREEMENT FOR COMMERCIAL USE FOR 1815 AIRPORT DRIVE BETWEEN COMPLIANCE AVIATION dba BLUE SKIES AVIATION AND THE CITY OF SAN MARCOS

STATE OF TEXAS	ξ
	ξ
COUNTIES OF HAYS AND CALDWELL	ξ

WHEREAS, Compliance Aviation dba Blue Skies Aviation ("BSA") entered into an "Airport Facility Lease Agreement for Commercial Use" by and between the City of San Marcos, Texas, a home-rule municipal corporation located at 630 East Hopkins Street, San Marcos, TX 78666 ("City") dated August 1, 2023. The Lease was approved by Resolution \_\_\_\_\_\_ of the City Council of the City of San Marcos, Texas (which instrument is referred to herein as the "Lease"); and

WHEREAS, BSA and the City have agreed that the Lease be amended to extend the length of the term to run concurrently with the lease associated with 1832 Airport Drive;

In consideration of the covenants contained in this amendment, the City and BSA agree to amend the Lease as follows:

## 1) EXHIBIT B: RENEWAL OPTION

## 1.01 Exhibit B of the Lease is hereby AMENDED to read as follows:

This Renewal Option is attached to and a part of that certain Airport Facility Lease Agreement for Commercial Use effective as of August 1, 2023 (the "Lease"), by and between the City of San Marcos, a municipal corporation of the State of Texas ("Lessor"), and Compliance Aviation dba Blue Skies Aviation ("Lessee"). For and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor grants to Lessee the option to extend the Lease, as hereinafter set forth.

Contingent upon satisfaction of all of the following conditions, Lessee is hereby granted the option to extend the Term (the "Primary Term") for four five successive periods, the first containing approximately twelve (12) calendar months and expiring on July 31, 2025, the second containing twelve (12) full calendar months and expiring on July 31, 2026, the third containing twelve (12) full calendar months and expiring on July 31, 2027, and the forth containing twelve (12) full calendar months and expiring on July 31, 2028, and the fifth containing 14 months and expiring on September 27, 2029 (such extension periods herein "Renewal Term 1", "Renewal Term 2", "Renewal Term 3", and

"Renewal Term 4", and "Renewal Term 5" respectively, and each a "Renewal Term"), said conditions being that:

- (i) Lessee shall not be in default beyond any applicable cure period at the time it attempts to exercise an option hereunder; and
- (ii) Renewal Terms shall automatically apply unless Lessee is in default or provides a least ninety (90) day notice of intent of non-renewal.

All of the terms and provisions of the Lease as are applicable during the Primary Term shall likewise be applicable during Renewal Term 1, Renewal Term 2, Renewal Term 3 and Renewal Term 4, as applicable, except that fixed Rent shall be payable as follows:

August 1, 2024 through July 31, 2025:	\$1,650.00 per month
August 1, 2025 through July 31, 2026:	\$1,650.00 per month
August 1, 2026 through July 31, 2027:	\$1,650.00 per month
August 1, 2027 through July 31, 2028:	\$1,815.00 per month
August 1, 2028 through September 27, 2029	\$1,815.00 per month

Other than as provided herein, Lessee shall have no further right to renew or extend the Term. Lessee's rights under this Renewal Option shall immediately terminate if the Lease or Lessee's right to possession of the Leased Premises is terminated.

References in this Renewal Option and the Lease to the "Term" or the "Lease Term" shall be understood to refer to both the Primary Term and (if Lessee's option therefor is effectively exercised in accordance with the provisions hereof) also the stated Renewal Term(s), as applicable, unless such interpretation is expressly negated.

3)	Effective Date.	The Effective	Date of this	Amendment	is the o	date of	executio	n by t	he l	ast
party	that executes the a	assignment indi	cated below	•						

Executed and	agreed to this	day of	f , 2024.

s Aviation:

City of San Marcos, Texas: